



AOT in Action

Welcome to AOT in Action, your weekly e-newsletter from the Arizona Office of Tourism (AOT).

A Message from Director Sherry Henry:

Good afternoon,

If you missed the absolutely fantastic Arizona Best Fest event in Phoenix this weekend, don't worry! There is still plenty of time to join in on the celebration of Arizona's 100th Anniversary of Statehood.

On Tuesday, February 14, 2012, Arizona's official Centennial date, state sanctioned events begin at 7:12 a.m. with the Arizona American Indians Sunrise Ceremony. Additional events will be held throughout the day! For a complete list of what to see and do visit <http://www.az100years.org/happy-birthday-arizona-2/>.

Also, be sure to check out the **Industry News** section below to see TripAdvisor's Traveler's Choice® Award Winners!

Happy Birthday Arizona!

Sherry Henry
Director, Arizona Office of Tourism

AOT News

SAVE the DATE: Governor's Conference on Tourism, July 11-13, 2012

The Arizona Governor's Conference on Tourism provides valuable networking opportunities, professional development sessions, nationally recognized speakers, a dedicated sponsor exhibit area and the Governor's Tourism Awards Dinner/Gala. The conference, which will be held at the Arizona Biltmore in Phoenix, is consistently attended by more than 500 Arizona tourism industry

professionals. It is one of our industry's most significant opportunities to attain information on the latest trends affecting tourism. Look toward future editions of AOT in Action for registration information.

Upcoming Events & Activities

[Authentic Arizona Southwest: Real Deal Ranches and the Rest Press Trip](#)

Date: February 27 – March 3

Location: Tubac, Sonoita, Elgin, Patagonia, Nogales and Sasabe

[AZAP FAM Tour](#)

Date: April 10-15

Location: TBA

[New York Media Mission](#)

Date: April 16 – 20, 2012

Location: New York City, NY

Industry News

U.S. Releases More Accurate Statistical Profile of U.S. Travel Overseas

The U.S. Department of Commerce issued a report on U.S. citizens traveling abroad using new methods of tallying U.S. international travel statistics that were first introduced in July 2010 and are just now beginning to deliver more accurate numbers. The U.S. outbound market totaled 53.7 million travelers for the first 11 months of 2011. U.S. travel to overseas markets reached 24.7 million, a 46 percent share of all U.S. outbound international travel.

For the first 11 months of 2011, Europe received 10.1 million U.S. visitors, with an 19 percent share; the Caribbean hosted 5.5 million U.S. travelers, with an 10 percent share; Asia had 3.8 million, with a 7 percent share; Central America recorded 1.9 million, with a 4 percent share; South America received 1.5 million, with a 3 percent share; the Middle East had 1.2 million, with a 2 percent share; Oceania had 447,000, with a 1 percent share; and Africa had 333,000, with a 1 percent share.

Other North American markets beyond the U.S. received 54 percent of all U.S. international outbound travel. U.S. travel to Mexico was 18.1 million visitors, with a 34 percent share (including five million who traveled by air), while Canada was visited by 10.8 million U.S. travelers, with a 20 percent share (3.3 million traveled by air).

A comparison of the fourth quarter 2011 (October-November) with the same period last year shows that U.S. travel to overseas markets was up 3 percent. Europe was up 1 percent; the

Caribbean was up 3 percent; Asia was up 4 percent; Central America was up 7 percent; South America was flat; the Middle East was up 6 percent; Oceania was up 3 percent; and Africa was down 9 percent.

U.S. travel to North American markets was down 6 percent. Mexico was down 8 percent and the air markets were up 3 percent. Canada was down 2 percent and the air markets were also down by 2 percent. Total U.S. outbound travel, 8.3 million in the fourth quarter, was down 2 percent. October and November were down 3 percent and 2 percent, respectively.

The July 2010 changes in the methods used in tallying U.S. international travel statistics moved from the paper-based manually processed DHS I-92 form to the paperless automated Advance Passenger Information System (APIS). These changes made the first half 2011 vs. 2010 comparisons difficult because of the way U.S. citizenship is recorded. The new system has been made more accurate since July 2010. Improvements under APIS include an electronic document system (eliminating keypunching from hard to read paper documents), rigorous accountability for all international flights and port-to-port details now available on the U.S.-Canadian market. In addition, monthly air travel data will be available soon after month-end. (*Travel Pulse, February 6*)

Airline Capacity Grows for the Ninth Consecutive Month in February

Flights may still seem to be quite full, but airline capacity continues to grow for the ninth consecutive month, according to the latest statistics from OAG. Airline capacity grew 5 percent this month, translating to a slightly larger capacity increase (6 percent) as the average available seats in February 2012 nudges towards 127 per aircraft versus 125 in the same period last year.

OAG's Frequency and Capacity Trend Statistics for February show that marketing demand is increasing the most in Central and South America and across the Middle East. All three regions reported double-digit growth, surpassed only by the total volume growth in Asia Pacific of 8.9 million seats in February, compared to a year ago. To put this volume growth in perspective, Asia Pacific and South America represent 64 percent of the total worldwide volume growth.

Top airports, when measured by growth, are now in Asia and the Pacific, with Bangkok, Beijing, Jakarta, Singapore and Manila representing almost 3.5 million additional seats in the month. The battle for number one airport continues to heat up as Beijing this month continues to close the gap on Atlanta, which now stands at a mere 251,000 seats per month, compared 826,000 twelve months ago. (*Travel Pulse, February 6*)

Social Media: Not All it's Cracked Up to Be

With all the widespread hoopla over its fast-growing influence, those who dismiss social media might as well express heresy at a religious convention. But according to a report by Conrad Advertising, it might not be as influential as many have been predicting.

Its study, Mapping the Travel Mind - The Influence Of Social Media, in association with YouGov, found that while travelers pay attention to social media ratings, they are not slavishly following their recommendations.

Some key findings were:

- A single negative review would only definitely stop 11% of people from booking a hotel of interest to them. An amazing 82% said they would investigate further.
- Word-of-mouth (26%), a good easy-to-use website (24%) and holiday brochures (23%) are the most important influences on people's decisions when planning and booking a holiday.
- Holiday-goers using social media sites or services do not talk about prices and offers that much (only 20% of holiday makers mention this as a topic) whereas holiday destination and hotel are discussed over twice as frequently (43%).

The UK-based Conrad concludes that social media influence might be less important than we think. The group also concludes that Facebook and Twitter influence do not extend to travel.

"The role that Facebook and Twitter play in day-to-day social life does not appear to be replicated during the holiday planning and booking process," the study found.

Travelers did say that they value the recommendations and advice of friends and family (61%) more than those of unknown web users or companies when using social media (19%).

"This qualitative benefit should not be ignored, but the findings suggest that few people have actually used or benefited from this potential source of advice," the study concluded.
(*TravelMole, February 7*)

New Report Shows Casino Industry Produces 1 Percent of U.S. GDP

The American Gaming Association (AGA) is reporting that the economic impact of the commercial casino industry spread throughout the entire U.S. economy in 2010. "Beyond the Casino Floor: Economic Impacts of the Commercial Casino Industry," is being touted as the first report to offer new analysis of the gaming industry, including data on the effects of industry spending as well as industry supported and induced spending. The report shows the economic activity supported by the commercial casino industry is roughly equivalent to 1 percent of the \$14.5 trillion U.S. gross domestic product in 2010.

"There is no doubt the commercial casino industry is a significant and vital part of our nation's economy," said Frank Fahrenkopf, Jr., president and CEO of the AGA. "The industry generates and supports economic activity that stretches far beyond the communities that host casinos and into the greater American economy."

According to the report, 566 casinos in 22 states supported about \$125 billion in spending and nearly 820,000 U.S. jobs in 2010. Taking all lines of spending into account, commercial casinos directly generated \$49.7 billion in consumer spending and about 350,000 jobs, with salaries and benefits totaling nearly \$15 billion in 2010. When indirect and induced impacts are taken into account, the industry supports an additional \$76 billion in spending with suppliers and other businesses, and more than 470,000 additional jobs.

Of the previously mentioned roughly \$125 billion in spending supported by commercial casinos in 2010, about two-thirds of this activity was generated in the host and surrounding counties and about one-third was generated in other counties across the U.S. One-third, or \$15.2 billion,

of the commercial casino industry's revenue in 2010 came from non-gaming sources, including food and beverage sales, hotel operations, retail, entertainment, and meetings and conventions.

In 2010, the gaming industry directly paid nearly \$16 billion in taxes, with its effective tax rate totaling 32 percent, which is significantly higher than the economy-wide total tax burden of 27 percent. When indirect and induced economic activity is taken into account, the industry generated close to \$25 billion in taxes in 2010. (*Travel Pulse, February 7*)

Napolitano Proposes Making U.S. Global Entry Program Permanent

Department of Homeland Security (DHS) Secretary Janet Napolitano has published a rule that would make Global Entry a permanent program. Right now, Global Entry is a voluntary U.S. Customs and Border Protection (CBP) initiative that lets pre-approved travelers expedite their trips through airport security.

"Global Entry expedites the customs and security process for trusted air travelers through biometric verification, while helping DHS ensure the safety of all airline passengers," Napolitano said. "Making Global Entry permanent will improve customer service at airports across the country and enable law enforcement to focus on higher-risk travelers." It's now available at 20 U.S. international airports.

The final rule creates federal regulations that replace the current pilot with a permanent Global Entry program. The final rule provides CBP with the ability to expand the program to additional U.S. international airports. In addition, age eligibility criteria have changed to allow more families in the program. People under age 18 who meet the general eligibility criteria and have the consent of a parent or legal guardian will now be eligible to participate in Global Entry.

The U.S. Travel Association today commended the implementation of a final rule to make the Global Entry Program permanent. "Expanding and making the Global Entry Program permanent is a huge victory for 1.3 million travelers who, thanks to the program, experience less hassle when traveling to the United States," said Roger Dow, president and CEO of the U.S. Travel Association. "We commend the administration for this action, and we will work with CBP to urge more travelers to enroll in the program to enjoy its benefits.

Today's final rule expands the program to airports in Minneapolis, Charlotte, Denver and Phoenix, making expedited clearance available to 97 percent of international travelers to the U.S.

"The impact of a program like Global Entry on U.S. destinations, and particularly in the meetings industry, is significant," said Dow. "Those who regularly travel enjoy fewer burdens thanks to Global Entry, making it more likely they will attend meetings and conventions in the U.S. Adding to current program participants Canada, Mexico, The Netherlands, and the United Kingdom, U.S. Travel urges CBP to quickly expedite bilateral agreements with South Korea, Singapore and Germany." (*Travel Pulse, February 7*)

Grand Canyon to Ban Bottled Water Sales

The Grand Canyon will soon ban the sale of bottled water, responding to concerns that empty plastic bottles scattered around the park are spoiling views of the natural wonder.

The National Park Service has approved a plan that would eliminate the sale of bottled water within 30 days, after nearly \$290,000 was spent to install 10 water stations inside the park. Visitors can use the stations to refill their own water bottles, which they can tote in from the outside.

Park concessionaires, who can still sell other bottled beverages, chipped in with another three water stations.

"Our parks should set the standard for resource protection and sustainability," John Wessels, the park service's intermountain region director, said in a statement.

Wessels added he expects the new policy to have "minimal" impact on visitors who flock to the crimson-hued canyon in northern Arizona.

Some 4.5 million tourists visit the Grand Canyon each year, and officials worry about litter found on the rim and inner canyon spoiling the park and marring its views. They estimate the disposable bottles account for 20 percent of the park's waste and 30 percent of its recyclables.

Similar bans are in effect at Zion and Hawaii Volcanoes national parks.

The ban became controversial when it was delayed in late 2010 after what the public interest group Public Employees for Environmental Responsibility charged was pressure by The Coca-Cola Company. The company and park officials have denied such a claim.

Jeff Ruch, the group's executive director, said he was pleased with the decision to implement the ban, saying it "clearly shows intense public scrutiny forced this U-turn."

Susan Stribling, a spokeswoman for Coca-Cola, said the company does not condone such bans, but will continue to work to "find a solution that is in the best interest of the parks and the public."

Stribling said the company favors "constructive solutions" such as creating more recycling programs as was done in the National Mall in Washington. (*Reuters, February 8*)

US Travel Campaign to Boost Meetings Awareness

The U.S. Travel Association is meeting with lawmakers at a state and local level as part of the association's campaign to build Congressional champions who will defend the meetings and incentive travel industry in their states or districts.

"The key is we want to be able to prepare members of Congress to start becoming more involved on a regular basis with this industry," said Erik Hansen, director of domestic policy of U.S.Travel. "But also, we want them to be prepared in case anything happens like (the downturn in) 2009."

Since the employment recovery began in March 2010, travel industry employment has expanded by 223,000, marking a 3.1% increase, according to the U.S. Travel Association's analysis of the Labor Department's January 2012 employment numbers.

The travel industry also added 7,000 jobs in January, making this its 13th gain in the past 14 months.

The next step

Although job creation is on the rise, there's still work to be done educating congressional representatives in various districts about the importance of meetings and incentive travel.

In 2010, 2.6 million international visitors came to the United States to attend a major event or conference, according to data from the Department of Commerce. Not only does that create jobs, but it creates a significant amount of revenue for the hotel sector, Hansen said.

"One of the big ways we are trying to show the importance of meetings is not to just campaign but getting these congressional members to actually go to these meetings and events," he said. "It's important for them to see firsthand the amount of jobs being created and services being provided."

And with the rise of digital platforms, it also is important to express to these officials the importance of face-to-face meetings.

"We have a lot of research that shows the most effective meetings occur face to face, not only for sales forces, but for educational purposes too," Hansen said.

According to the "Return on Investment of U.S. Business Travel" study prepared by Oxford Economics USA in 2009, both executives and business travelers estimate that roughly 40% of their prospective customers are converted to new customers with an in-person meeting compared to 16% without such a meeting.

U.S. Travel's campaign is first targeting the top 12 states in the country for meetings and events.

"Each quarter we will be sending these congressional districts performance for the meetings sector so that we can arm them with proof as to why it is important," Hansen said. "We also want to maintain frequent interaction with Washington."

What does it mean for hoteliers?

For hoteliers, business travel remains important, filling more than 104 million rooms in 2011, according to data from STR, parent company of HotelNewsNow.com.

More than 60% of revenue at the Sheraton Denver Downtown Hotel comes from group demand, said Mike Ehmann, GM of the 1,231-room Sheraton Denver Downtown Hotel.

"Being the largest hotel in Colorado, the meetings industry is extremely important to us," he said. "We are a destination state, so we are very in tune to that fact."

Sheraton Denver just launched a meetings and events promotion in order to capture more group business. They plan to give incentives to their groups, along with discounts and complimentary rooms.

“We want to stay competitive in our market,” Ehmann said. “As a company, we are constantly reevaluating that strategy.”

Even though Colorado is not in the U.S. Travel’s targeted list of the top 12 states, information is provided to all states so they can be a part of U.S. Travel’s campaign.

U.S.Travel’s Hansen said there is a lot out there that’s ready to go, meaning many plans already are in place. It is up to them to grab it and run with it. Meanwhile, U.S. Travel is working to get the word out.

“We will make the case to Congress why meetings and events are important to hopefully elevate the hotel industry’s profile,” Hansen added. “If you want to build a champion for an industry it goes beyond one meeting.” (*HotelNewsNow, February 9*)

U.S. Ambassador to China Announces Plan to Speed Visa Processing

Gary Locke, the U.S. ambassador to China, has announced efforts to increase the number of visas processed, reduce wait times and a pilot program to waive interviews for some nonimmigrant applicants in the People’s Republic of China.

The U.S. Travel Association praised the announcement, the latest in a series of efforts to make it easier for international travelers to visit the U.S. Increased U.S. travel could be a major boost to the U.S. economy. In 2011, more than 1 million visa applications were processed in China, an increase of 34 percent over 2010. To date in 2012, visa processing is up 48 percent compared to the same period in 2011. Additionally, wait times for interviews have decreased dramatically, with current wait times at all posts in China at less than six days.

Also, a new worldwide pilot program is being launched in China that permits consular officers to waive interviews for some nonimmigrant applicants. This applies only to those renewing their visa within 48 months of the expiration of their previous visa, and it must be within the same classification. The U.S. State Department reports that this effort could free up an additional 100,000 interview slots for new applicants. On Jan. 19, President Obama announced a national strategy on travel and tourism to increase travel to the United States. (*Travel Pulse, February 12*)

Congratulations to TripAdvisor Traveler’s Choice® Award Winners

Congratulations to the recipients of the TripAdvisor Traveler’s Choice® awards! Offered by TripAdvisor, Inc., the world’s largest travel website, TripAdvisor Travelers’ Choice awards honor the world’s best hotels, earning their distinction from those who know them best – real travelers. Unlike any other hotel honors, TripAdvisor Travelers’ Choice winners are based on millions of valuable reviews and opinions from travelers around the world.

Travelers’ Choice Hotel winners from Arizona include:

- Canyon Villa Bed and Breakfast Inn of Sedona – B&B/Inns – Ranked 3rd in United States
- Canyon Villa Bed and Breakfast Inn of Sedona – B&B/Inns – Ranked 14th in World
- The Motor Lodge – Bargain – Ranked 6th in United States
- The Motor Lodge – Service – Ranked 3rd in United States
- W Scottsdale – Trendy – Ranked 2nd in United States
- W Scottsdale – Trendy – Ranked 10th in World

- Adobe Grand Villas – Top 25 – Ranked 13th in United States
- Sunglow Ranch – Arizona Guest Ranch and Resort – Relaxation Spa – Ranked 17th in United States
- The Boulders A Waldorf Astoria Resort – Relaxation Spa – Ranked 21st in United States
- Travelodge Holbrook – Bargain – Ranked 16th in United States

For the complete 2012 Travelers' Choice list, go to www.tripadvisor.com/travelerschoice.

Calendar of Events

Visit www.ArizonaGuide.com to find information on all the exciting [events, festivals and activities](#) held throughout the Grand Canyon State!

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